



MULTISTATE TAX COMMISSION

444 North Capitol St., NW
Suite 425
Washington, DC 20001-1538
Telephone: 202.650.0300

www.mtc.gov

National Nexus Program (NNP) Director's Report for FY 2019
August 5, 2019
Boise, Idaho

Multistate Voluntary Disclosure Program (MVDP)

The FY 2019 NNP results (July 1, 2018 through June 30, 2019) are provided below.

- Nexus states' collections: \$14,695,429 (\$18,601,151 in FY 2018)
- Non-Nexus states' collections: \$ 48,892 (\$0 in FY 2018)
- Nexus states' executed agreements: 379 (3,087 in FY 2018)
- Nexus states' average contract value: \$ 38,774 (FY 2018: \$6,026)

The above amounts include checks received by the Commission or amounts paid by the taxpayer directly to the states and reported to the Commission. Interest on back tax paid and the value of a new taxpayer are not included.

Membership

There are currently thirty-eight participating states (including the District of Columbia) in the NNP, with Rhode Island having most recently joined effective October 1, 2017. Delaware ended their participation in the Nexus Program as of the end of FY 2018. Commission staff continues to reach out to non-member states.

Outreach

Richard Cram published an article in the September 24, 2018 issue of *Tax Analysts State Tax Notes* entitled "No Shade for Cloud Computing Income Under P.L. 86-282."

Richard participated in the following events:

panelist in The Knowledge Group webinar presentation entitled “The Growing Importance of Sales Tax Automation: What You Need to Know” on July 31, 2018

co-presenter with Helen Hecht, General Counsel on the topic “Post-*Wayfair* Gross Receipts Tax/Compensating Use Tax Administration Issues” to the New Mexico Legislature Revenue Stabilization and Tax Policy Committee on September 21, 2018 in Santa Fe, New Mexico

Streamlined Sales and Use Tax Governing Board meeting in St. Louis, Missouri on October 3-4, 2018 and another meeting there, along with Marshall Stranburg, Deputy Executive Director, and representatives of several organizations, including FTA, NGA, NCSL, and others, with George Isaacson and Steve DelBianco (NetChoice) concerning their proposal for federal legislation imposing certain limitations and conditions on implementing the *Wayfair* decision

panelist in The Knowledge Group webinar presentation entitled “Significant Trends and Developments in the Sales Tax Landscape in Light of South Dakota v. Wayfair” on October 18, 2018

panelist at NCSL Executive Committee Task Force on State and Local Taxation in Scottsdale, Arizona on November 16, 2018 on the topic: “Marketplace Facilitator Laws”

panelist at the NJSCPA Multistate Tax Conference in Iselin, New Jersey on November 29, 2018 on the topic: “Multistate Sales Use Tax Compliance and MTC Voluntary Disclosure Post-Wayfair”

AMROA Winter Conference in Auburn, Alabama on the topic “Wayfair Implementation and Marketplace Facilitators” via live webinar on December 6, 2018

New Jersey Tax Court on January 19, 2019 in Newark, New Jersey on the topic: “Recent Nexus Law Developments” with Steve Yang

panelist at the NCSL Legislative Fiscal Academy held at the Hawaii State Capitol Building on January 25, 2019 on the topic: “Remote Sales Tax Collection: Wayfair, Streamlined Sales Tax and Marketplace Facilitators”

presenter at DC Bar SALT Group luncheon on February 19, 2019 in Washington, DC on the topic: “MTC Multistate Voluntary Disclosure Program”

panelist in the March 19, 2019 Knowledge Group webinar entitled: “The South Dakota v. Wayfair Decision: Your Business and the Evolving Sales Tax Landscape”

panelist at NASBO spring meeting in Philadelphia on April 5, 2019 on the topic of “Online Sales Tax—State Updates”

panelist at New Mexico Tax Research Institute Conference in Albuquerque on May 2, 2019 on the topic of “States’ Implementation of *Wayfair*”

panelist at Georgetown Law School SALT Program in Washington, DC on May 16, 2019 as panelist on the topic: “Analysis and Predictions on Marketplace Providers”

panelist at NCSL Executive Committee Task Force on State and Local Taxation; *Marketplace Facilitator Legislation* (Cram, panelist); Washington, D.C.

panelist at Bloomberg Tax Webinar; *Wayfair: One Year Later* on June 20, 2019

panelist, presentation to AICPA SALT Technical Resources Panel, “Wayfair Implementation and Marketplace Facilitator Work Group Status and Update on Nexus Program,” Washington, D.C., on July 22, 2019

panelist in The Knowledge Group webinar presentation entitled “Ensuring Compliance with Tax Laws and Minimizing Audit Risks with Sales Tax Automation” on July 31, 2019.

Richard is scheduled to participate in the following upcoming events:

panelist at NESTOA meeting in Providence, RI, September 11, 2019, on “Marketplace Facilitators” and “Remote Sellers Administration”

panelist at Paul J. Hartman SALT Forum in Nashville, TN, October 29, 2019 on “Wayfair and the Future of State Income Tax Nexus.”

Staff continues to urge states to put a link to the NNP on their voluntary disclosure web pages.

A Nexus School (covering income/franchise tax nexus only) was held Helena, Montana on June 6-7, 2019 and was well attended.

Please let a member of the Commission staff know if your state would like to host a Nexus School.

Amnesties

The NNP posts on its web page a list of upcoming and current state tax amnesties. Please inform NNP staff if you would like the Commission to post your state's amnesty.

Staffing

The Program presently has four permanent full-time staff members: Richard Cram, Director, Diane Simon-Queen, Voluntary Disclosure Program Manager, Michelle Lewis, Paralegal, and James Lee, Program Specialist.

Richard Cram, Director, National Nexus Program